

AGENCY ESTIMATE  
OF THE FISCAL IMPACT OF IMPLEMENTING  
**HB 367 2011 General Session**  
**Utah Schools Seismic Hazard Inventory**

**Sponsor:** Representative Larry Wiley  
**Agency Contact:** Jenefer Youngfield  
**Agency** Utah State Office of Education

**Lead Analyst:** Ben Leishman  
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**A. Short Form** (For bills that have no impact on the state, local governments, businesses, or individuals.)

If you can check all five boxes to the right, you're almost done. If the bill obviously doesn't have an impact, you're done.

- |                                     |   |
|-------------------------------------|---|
| <input type="checkbox"/>            | State agencies will not require an appropriation to implement the bill. |
| <input type="checkbox"/>            | There is no fiscal impact on local governments.                         |
| <input type="checkbox"/>            | There is no fiscal impact on businesses                                 |
| <input checked="" type="checkbox"/> | There is no fiscal impact on individuals.                               |
| <input checked="" type="checkbox"/> | The bill will not affect revenues.                                      |

If it isn't so obvious, explain what's going on. The most usual explanation is the codification of existing practices.

Attachments welcome.

If necessary, explain why this bill has no fiscal impact.

This bill enacts the School Seismic Safety Act, which requires a school district or charter school to conduct a seismic evaluation of each facility used by the school... *Continued on second tab.*

**B. What parts of the bill cause fiscal impact?**

Cite specific sections or line numbers.

Line 80 states that members may receive per diem and travel expenses in accordance with: Sections... *Continued on second tab.*

**C. Which program gets the appropriation?**

Enter 3 letter Appropriation Unit Code.

**PAA**

**For multiple appropriations**

This is  of

**D. Work Notes: Assumptions, calculations & what are we buying?**

Explain the fiscal impact in plain English, detailing your assumptions, methods, & calculations.

List all direct costs. Identify one-time and ongoing costs. Detail FTE impacts.

Do not say, "\$50,000 in Current Expense." Be very specific about what this \$50,000 will buy.

Attachments encouraged.

This bill would provide an avenue for a "Rapid Visual Screening" (RVS) for potential seismic hazards and establish a threshold score for all public schools in Utah, which should result in similar evaluations of all public schools which could then be compared to each other and be used as a base in determining if retrofits, upgrades, replacements, more extensive seismic studies need to be obtained, etc., by school districts and charter schools. The cost to provide the RVS is based on estimates outlined by FEMA 154 (see attached 'FEMA - 154 - Chapter 5 - pgs72-78.pdf), in which modification to the figures shown have been adjusted to reflect Utah Schools, inflation rates from the 2001... *Continued on second tab.*

## E. REVENUES

Select Fund	Current Budget Year FY 2011	Coming Budget Year FY 2012	Future Budget Year FY 2013
General Fund, 1-Time		500,000	
<b>Total</b>	<b>0</b>	<b>500,000</b>	<b>0</b>

## F. COSTS by FUND

Select Fund	Current Budget Year FY 2011	Coming Budget Year FY 2012	Future Budget Year FY 2013
General Fund, 1-Time		500,000	
<b>Total</b>	<b>0</b>	<b>500,000</b>	<b>0</b>

## G. COSTS by EXPENDITURE CATEGORY.

Expenses by Category	Current Budget Year FY 2011	Coming Budget Year FY 2012	Future Budget Year FY 2013
Personal Services			
Travel			
Current Expense		500,000	
DP Current Expense			
DP Capital Outlay			
Capital Outlay			
Other/Pass Thru			
<b>Total</b>	<b>0</b>	<b>500,000</b>	<b>0</b>

## H. Non-State Impacts

Your estimate of how will the bill affect:

### Local Governments

School districts and charter schools would be required to participate in the RVS process which may help them determine the needs of public schools. The RVS is based on a review of the facilities, generally ...*Continued on second tab.*

### Businesses

Rapid Visual Screenings would provide additional business opportunities for some licensed professional structural engineer or licensed professional civil engineer with experience in seismic evaluations... *Continued on second tab.*

### Individuals

Individuals may become unnecessarily concerned about facilities that receive an RVS rating indicating a school facility may not be seismically sound, when it actually may have received upgrades and/or retrofits... *C continued on second tab.*

2010 Version 11.09

This is a draft fiscal note response from the Utah State Office of Education (USOE) and may be revised in the future.

Attachments welcome.

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***HB 367 2011 General Session continued...***  
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***A. Short Form - continued from first tab...***

district or charter school using specified standards; creates and specifies the duties of the Public School Seismic Safety Committee; directs the State Board of Education to adopt rules; and provides certain immunity from suit relating to a seismic safety evaluation; repeals the School Seismic Safety Act on July 1, 2021; and makes technical changes

***B. What parts of the bill cause fiscal impact continued from first tab...***

63A-3-106 and 107. The requirement for school districts and charter schools to conduct a seismic safety RVS of each facility by June 30, 2012 and all facilities that haven't received a RVS thereafter as outlined on lines 99 thru 108.

***C. Which program gets the appropriation continued from first tab...***

***D. Work Notes: continued from Tab 1 continued from first tab...***

report (the adjustment from 2001 \$40 per hour reflects the current rate of \$90 per hour --resulting in an inflation factor of 2.25), with an estimated cost of \$110 to perform each RVS per building, along with the matter that the majority of schools in Utah have a minimum of two additions (which triggers a multiplication factor of 2 for each school), and the number of facilities needing to be reviewed being approximately 1,084. Resulting calculation: Utah's Public Schools -  $1,084 \times \$110 = \$119,240 \times 2 = \$238,480 \times 2.25 = \underline{\$536,580}$  ***(projected cost to provide the RVS for all public schools in Utah)*** Please note: the basis for calculations came from the "Oregon - Statewide Seismic Needs Assessment Using Rapid Visual Screening" (see attached Oregon Statewide Seismic Needs Assessment pdf file). Funding is one-time, thus doesn't address future needs.

***Although language indicates immunity from suit-related to a seismic safety evaluation, there is still concern regarding the legal implications as screenings are carried out that school districts and charter schools may be forced to upgrade, retrofit, replace facilities, at an enormous cost to do so and without the financial means to carry this out.***

***E. REVENUES continued from first tab...***

F. COSTS by FUND *continued from first tab...*

G. COSTS by EXPENDITURE CATEGORY *continued from first tab...*

H. Non-State Impacts *continued from first tab...*

without details of seismic upgrades, retrofits, that have occurred, thus the public may become alarmed about facilities unnecessarily. Information gathered would establish overall facility rating which may help in planning action(s) to take. Findings may force upgrades, retrofits, replacements, etc., which were not planned or budgeted.

evaluations. Business may not recoup the full cost of screening if it takes more time to perform than they are compensated. Business may see an increase in property tax if school districts receive approval to bond for seismic constructions to fund facility replacements, upgrades, retrofits, etc., for schools found not to be seismically sound

not known by those performing the RVS. Individuals may have a better idea of the condition of school facilities, when ranked against all other public school facilities in the state and thus be more willing to approve bonds for seismically related school construction/renovation. Additional school construction bonding may increase individual's property taxes.

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